

ORDINANCE NO. 07-06

An Ordinance concerning the construction of additions and improvements to the sewage works of the Town of Westfield, the issuance of revenue bonds to provide the cost thereof, the collection, segregation and distribution of the revenues of said works, the safeguarding of the interests of the owners of said revenue bonds, other matters connected therewith, including the issuance of notes in anticipation of bonds, and repealing ordinances inconsistent herewith

WHEREAS, the Town of Westfield ("Town") has heretofore established, constructed and financed its sewage works, and now owns and operates the sewage works pursuant to IC 36-9-23, as in effect on the issue date of the bonds authorized herein ("Act"); and

WHEREAS, the Town Council finds that certain improvements and extensions to said works are necessary; that plans, specifications and estimates have been prepared and filed by the engineers employed by the Town for the construction of said improvements and extensions (as more fully set forth in Exhibit A hereto and made a part hereof) ("Project"), which plans and specifications have been submitted to all governmental authorities having jurisdiction, particularly the Indiana Department of Environmental Management, and have been approved by the aforesaid governmental authorities and are incorporated herein by reference and open for inspection at the office of the Clerk-Treasurer as required by law; and

WHEREAS, the Town has obtained engineers' estimates of the costs for the construction of the Project and has advertised for and received bids for the construction of the Project; said bids are subject to the Town's determination to construct the Project and subject to the Town obtaining funds to pay for the Project; that on the basis of the bids and the engineer's estimates, the maximum estimated cost of the Project, as defined in IC 36-9-1-8, including incidental expenses, is in an amount not to exceed Twenty Million Dollars (\$20,000,000); and

WHEREAS, the Town Council finds that it has some funds on hand to apply on the cost of the Project, but that it is necessary to authorize the issuance of sewage works revenue bonds in an aggregate amount not to exceed \$14,000,000 and, if necessary, bond anticipation notes ("BANs"); and

WHEREAS, the Town has heretofore issued certain "Sewage Works Revenue Bonds of 2002," dated May 22, 2002 ("2002 Bonds"), originally issued in the amount of \$10,355,000 and now outstanding in the amount of \$9,130,000 and maturing annually over a period ending September 1, 2023, which 2002 Bonds constitute a first charge upon the Net Revenues (as hereinafter defined) of the sewage works; and

WHEREAS, the Town has heretofore issued certain "Sewage Works Revenue Bonds of 2004," dated June 30, 2004 ("2004 Bonds"), originally issued in the amount of \$12,000,000 and now outstanding in the amount of \$11,215,000 and maturing annually over a period ending September 1, 2025, which 2004 Bonds constitute a first charge upon the Net Revenues of the sewage works, on a parity with the 2002 Bonds; and

WHEREAS, the Town has heretofore issued certain "Sewage Works Refunding Revenue Bonds of 2006," dated May 25, 2006 ("2006 Bonds"), originally issued in the amount of \$7,215,000 and now outstanding in the amount of \$7,215,000 and maturing annually over a period ending September 1, 2019, which 2006 Bonds constitute a first charge upon the Net Revenues of the sewage works, on a parity with the 2002 Bonds and the 2004 Bonds; and

WHEREAS, the ordinances authorizing the issuance of the 2002 Bonds, the 2004 Bonds and the 2006 Bonds (hereinafter collectively referred to as the "Outstanding Bonds"), permit the issuance of additional bonds ranking on a parity with the Outstanding Bonds provided certain conditions can be met, and the Town finds that the finances of said sewage works will enable the

Town to meet the conditions for the issuance of additional parity bonds and that, accordingly, the bonds issued hereunder shall rank on a parity with the Outstanding Bonds; and

WHEREAS, the bonds to be issued pursuant to this ordinance will constitute a first charge against the Net Revenues of the sewage works on a parity with the Outstanding Bonds and are to be issued subject to the provisions of the laws of the State of Indiana, including, without limitation, the Act and the terms and restrictions of this ordinance; and

WHEREAS, the Town desires to authorize the issuance of BANs hereunder, if necessary, and to authorize the refunding of the BANs, if issued; and

WHEREAS, the Town has been advised that the purchase of municipal bond insurance and a debt service reserve fund surety policy may be cost efficient; and

WHEREAS, the Town Council has previously determined to include all sewer availability fees and sewer tap fees and any similar fees in Net Revenues of the sewage works pursuant to IC 36-9-23-29; and

WHEREAS, the Town Council now finds that all conditions precedent to the adoption of an ordinance authorizing the issuance of said revenue bonds and BANs to apply on the cost of the Project have been complied with in accordance with the provisions of the Act;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF WESTFIELD, INDIANA, THAT:

Section 1. Authorization of Project. The Town proceed with the construction of the Project in accordance with the plans and specifications heretofore prepared and filed by the consulting engineers employed by the Town, which plans and specifications are now on file in the office of the Clerk-Treasurer of the Town, and open for public inspection pursuant to IC 36-1-5-4, and are hereby adopted and approved, and by reference made a part of this ordinance and

incorporated herein. The estimated cost of construction of the Project is expected to not exceed the sum of \$20,000,000, plus investment earnings on the BAN and bond proceeds. The terms "sewage works," "sewage works system," "works," "system," and words of like import where used in this ordinance shall be construed to mean and include the existing sewage works system and all real estate and equipment used in connection therewith and appurtenances thereto, and all extensions, additions and improvements thereto and replacements thereto now or at any time hereinafter constructed or acquired. The Project shall be constructed in accordance with the plans and specifications heretofore mentioned, which Project is hereby approved.

The Project shall be constructed and the BANs and bonds herein authorized shall be issued pursuant to and in accordance with the Act.

Section 2. Issuance of BANs and Bonds. (a) The Town shall issue, if necessary, its BANs for the purpose of procuring interim financing to apply on the cost of the Project and the payment of costs of issuance. The Town shall issue its BANs in an aggregate principal amount not to exceed Fourteen Million Dollars (\$14,000,000) to be designated "Sewage Works Bond Anticipation Notes." The BANs shall be sold at not less than 99% of their par value, shall be numbered consecutively from 1 upward, shall be in any multiple of \$1,000 as set forth in the purchase agreement for the BANs, shall be dated as of the date of delivery thereof, and shall bear interest at a rate not to exceed 6% per annum (the exact rate or rates to be determined through negotiation with the purchaser of the BANs), payable either semiannually on March 1 and September 1 commencing on the first March 1 or the first September 1 after the date of issuance of the BANs, or at maturity or upon redemption, as determined by the Town with the advice of the Town's financial advisor. The BANs will mature no later than five (5) years after their date of delivery. The BANs are subject to renewal or extension at an interest rate or rates not to

exceed 6% per annum (the exact rate or rates to be negotiated with the purchaser of the BANs). The term of the BANs and all renewal BANs may not exceed five years from the date of delivery of the initial BANs. Payment for the BANs may be made in installments. The BANs shall be registered in the name of the purchasers thereof.

The BANs shall be issued pursuant to IC 5-1.5-8-6.1 if sold to the Indiana Bond Bank or pursuant to IC 5-1-14-5 if sold to a financial institution or any other purchaser. The principal of and interest on the BANs shall be payable from the issuance of revenue bonds pursuant to and in the manner prescribed by the Act. The interest on the BANs may also be payable from the hereinafter defined Net Revenues. Any such interest payments payable from Net Revenues shall be junior and subordinate to the Outstanding Bonds and the revenue bonds issued pursuant to this ordinance. If any interest on the BANs to be paid from Net Revenues is to occur on a date other than March 1 or September 1, by reason of maturity or redemption, such payment may only occur if all of the principal and interest on all outstanding bonds of the sewage works for the Town due on the next succeeding principal and interest payment dates is fully accumulated in the Debt Service Account of the Sewage Works Sinking Fund. The revenue bonds will be payable solely out of and constitute a first charge against the Net Revenues (herein defined as gross revenues of the sewage works after the payment of the reasonable expenses of operation, repair and maintenance) of the sewage works of the Town, on a parity with the Outstanding Bonds.

(b) The Town shall issue its sewage works revenue bonds in the aggregate principal amount not to exceed \$14,000,000 to be designated "Sewage Works Revenue Bonds of 20___" (to be completed with the year in which the Bonds are issued) ("Bonds"), for the purpose of procuring funds to apply on the cost of the Project, refunding the BANs, if issued, and issuance costs, including premiums for municipal bond insurance and a debt service reserve surety. The

Bonds shall be issued and sold at a price not less than 98.5% of the par value thereof, in fully registered form, in denominations of Five Thousand Dollars (\$5,000) each or integral multiples thereof, numbered consecutively from 1 up, dated as of the first day of the month in which they are sold or issued or as of the date of delivery of the Bonds, as determined by the Clerk-Treasurer with the advice of the Town's financial advisor, and shall bear interest at a rate or rates not exceeding 7% per annum, payable semiannually on March 1 and September 1 in each year, commencing on the first March 1 or the first September 1 after the date of delivery of the Bonds, as determined by the Clerk-Treasurer with the advice of the Town's financial advisor. The Bonds shall mature annually on September 1 over a period ending no later than September 1, 2036, and in such amounts that will produce as level annual debt service as practicable with \$5,000 denominations, taking into account the annual debt service on the Outstanding Bonds.

Interest on the Bonds and BANs shall be calculated according to a 360-day calendar year containing twelve 30-day months.

All or a portion of the Bonds may be issued as one or more term bonds, upon election of the successful bidder. Such term bonds shall have a stated maturity or maturities on September 1 in the years as determined by the successful bidder, but in no event later than the last serial maturity date of the Bonds as determined in accordance with the above paragraph. The term bonds shall be subject to mandatory sinking fund redemption and final payment(s) at maturity at 100% of the principal amount thereof, plus accrued interest to the redemption date, on principal payment dates which are hereinafter determined in accordance with the above paragraph.

Section 3. Registrar and Paying Agent; Book-Entry Provisions. (a) The President of the Town Council and Clerk-Treasurer are authorized to select and appoint a qualified financial

institution to serve as Registrar and Paying Agent for the Bonds, which Registrar is hereby charged with the responsibility of authenticating the Bonds ("Registrar" or "Paying Agent"). The Clerk-Treasurer is hereby authorized to enter into such agreements or understandings with such institution as will enable the institution to perform the services required of a Registrar and Paying Agent. The Clerk-Treasurer is further authorized to pay such fees as the institution may charge for the services it provides as Registrar and Paying Agent, and such fees may be paid from the Sewage Works Sinking Fund established to pay the principal of and interest on the Bonds and fiscal agency charges. As to the BANs and, if agreed to by the Town and the successful bidder, as to the Bonds, the Clerk-Treasurer may serve as Registrar and Paying Agent, and in that case, is hereby charged with the duties of Registrar and Paying Agent.

The principal of the Bonds shall be payable at the principal corporate trust office of the Paying Agent. All payments of interest on the Bonds shall be paid by check, mailed one business day prior to the interest payment date to the registered owners thereof as the names appear as of the fifteenth day of the month preceding the interest payment date ("Record Date") and at the addresses as they appear on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by such registered owner. If payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). All payments on the Bonds shall be made in any coin or currency of the United States of

America, which on the date of such payment, shall be legal tender for the payment of public and private debts.

Each Bond shall be transferable or exchangeable only upon the books of the Town kept for that purpose at the principal corporate trust office of the Registrar by the registered owner in person, or by its attorney duly authorized in writing, upon surrender of such Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner, or its attorney duly authorized in writing, and thereupon a new fully registered Bond or Bonds in an authorized aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or the registered owner, as the case may be, in exchange therefor. The costs of such transfer or exchange shall be borne by the Town except for any tax or governmental charge required to be paid with respect to the transfer or exchange, which taxes or governmental charges are payable by the person requesting such transfer or exchange. The Town, Registrar and Paying Agent for the Bonds may treat and consider the person in whose name such Bonds are registered as the absolute owner thereof for all purposes including for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon.

The Registrar and Paying Agent may at any time resign as Registrar and Paying Agent upon giving 30 days' notice in writing to the Town and by first class mail to each registered owner of the Bonds then outstanding, and such resignation will take effect at the end of such 30 day period or upon the earlier appointment of a successor registrar and paying agent by the Town. Any such notice to the Town may be served personally or sent by registered mail. The Registrar and Paying Agent may be removed at any time as Registrar and Paying Agent by the Town, in which event the Town may appoint a successor registrar and paying agent. The Town

shall notify each registered owner of the Bonds then outstanding by first class mail of the removal of the Registrar and Paying Agent. Notices to the registered owners of the Bonds shall be deemed to be given when mailed by first class mail to the addresses of such registered owners as they appear on the registration books kept by the Registrar.

Upon the appointment of any successor registrar and paying agent by the Town, the Clerk-Treasurer is authorized and directed to enter into such agreements and understandings with such successor registrar and paying agent as will enable the institution to perform the services required of a registrar and paying agent for the Bonds. The Clerk-Treasurer is further authorized to pay such fees as the successor registrar and paying agent may charge for the services it provides as registrar and paying agent and such fees may be paid from the Sewage Works Sinking Fund continued in Section 13 hereof. Any predecessor registrar and paying agent shall deliver all of the Bonds and any cash or investments in its possession with respect thereto, together with the registration books, to the successor registrar and paying agent.

Interest on the Bonds shall be payable from the interest payment date to which interest has been paid next preceding the authentication date of the Bonds unless the Bonds are authenticated after the Record Date and on or before such interest payment date in which case they shall bear interest from such interest payment date, or unless the Bonds are authenticated on or before the Record Date preceding the first interest payment date, in which case they shall bear interest from the original date until the principal shall be fully paid.

(b) The Town has determined that it may be beneficial to the Town to have the Bonds held by a central depository system pursuant to an agreement between the Town and The Depository Trust Company, New York, New York ("Depository Trust Company") and have transfers of the Bonds effected by book-entry on the books of the central depository system

("Book Entry System"). The Bonds may be initially issued in the form of a separate single authenticated fully registered Bond for the aggregate principal amount of each separate maturity of the Bonds. In such case, upon initial issuance, the ownership of such Bonds shall be registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company.

With respect to the Bonds registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company, the Town and the Paying Agent shall have no responsibility or obligation to any other holders or owners (including any beneficial owner ("Beneficial Owner")) of the Bonds with respect to (i) the accuracy of the records of the Depository Trust Company, CEDE & CO., or any Beneficial Owner with respect to ownership questions, (ii) the delivery to any bondholder (including any Beneficial Owner) or any other person, other than the Depository Trust Company, of any notice with respect to the Bonds including any notice of redemption, or (iii) the payment to any bondholder (including any Beneficial Owner) or any other person, other than the Depository Trust Company, of any amount with respect to the principal of, or premium, if any, or interest on the Bonds except as otherwise provided herein.

No person other than the Depository Trust Company shall receive an authenticated Bond evidencing an obligation of the Town to make payments of the principal of and premium, if any, and interest on the Bonds pursuant to this ordinance. The Town and the Registrar and Paying Agent may treat as and deem the Depository Trust Company or CEDE & CO. to be the absolute bondholder of each of the Bonds for the purpose of (i) payment of the principal of and premium, if any, and interest on such Bonds; (ii) giving notices of redemption and other notices permitted to be given to bondholders with respect to such Bonds; (iii) registering transfers with respect to

such Bonds; (iv) obtaining any consent or other action required or permitted to be taken of or by bondholders; (v) voting; and (vi) for all other purposes whatsoever. The Paying Agent shall pay all principal of and premium, if any, and interest on the Bonds only to or upon the order of the Depository Trust Company, and all such payments shall be valid and effective fully to satisfy and discharge the Town's and the Paying Agent's obligations with respect to principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. Upon delivery by the Depository Trust Company to the Town of written notice to the effect that the Depository Trust Company has determined to substitute a new nominee in place of CEDE & CO., and subject to the provisions herein with respect to consents, the words "CEDE & CO." in this ordinance shall refer to such new nominee of the Depository Trust Company. Notwithstanding any other provision hereof to the contrary, so long as any Bond is registered in the name of CEDE & CO., as nominee of the Depository Trust Company, all payments with respect to the principal of and premium, if any, and interest on such Bonds and all notices with respect to such Bonds shall be made and given, respectively, to the Depository Trust Company as provided in a representation letter from the Town to the Depository Trust Company.

Upon receipt by the Town of written notice from the Depository Trust Company to the effect that the Depository Trust Company is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of the Depository Trust Company hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, then the Bonds shall no longer be restricted to being registered in the register of the Town kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company, but may be registered in whatever name or names the bondholders

transferring or exchanging the Bonds shall designate, in accordance with the provisions of this ordinance.

If the Town determines that it is in the best interest of the bondholders that they be able to obtain certificates for the fully registered Bonds, the Town may notify the Depository Trust Company and the Registrar, whereupon the Depository Trust Company will notify the Beneficial Owners of the availability through the Depository Trust Company of certificates for the Bonds. In such event, the Registrar shall prepare, authenticate, transfer and exchange certificates for the Bonds as requested by the Depository Trust Company and any Beneficial Owners in appropriate amounts, and whenever the Depository Trust Company requests the Town and the Registrar to do so, the Registrar and the Town will cooperate with the Depository Trust Company by taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the fully registered Bonds of any Beneficial Owner's Depository Trust Company account or (ii) to arrange for another securities depository to maintain custody of certificates for and evidencing the Bonds.

If the Bonds shall no longer be restricted to being registered in the name of a Depository Trust Company, the Registrar shall cause the Bonds to be printed in blank in such number as the Registrar shall determine to be necessary or customary; provided, however, that the Registrar shall not be required to have such Bonds printed until it shall have received from the Town indemnification for all costs and expenses associated with such printing.

In connection with any notice or other communication to be provided to bondholders by the Town or the Registrar with respect to any consent or other action to be taken by bondholders, the Town or the Registrar, as the case may be, shall establish a record date for such consent or

other action and give the Depository Trust Company notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

So long as the Bonds are registered in the name of the Depository Trust Company or CEDE & CO. or any substitute nominee, the Town and the Registrar and Paying Agent shall be entitled to request and to rely upon a certificate or other written representation from the Beneficial Owners of the Bonds or from the Depository Trust Company on behalf of such Beneficial Owners stating the amount of their respective beneficial ownership interests in the Bonds and setting forth the consent, advice, direction, demand or vote of the Beneficial Owners as of a record date selected by the Registrar and the Depository Trust Company, to the same extent as if such consent, advice, direction, demand or vote were made by the bondholders for purposes of this ordinance and the Town and the Registrar and Paying Agent shall for such purposes treat the Beneficial Owners as the bondholders. Along with any such certificate or representation, the Registrar may request the Depository Trust Company to deliver, or cause to be delivered, to the Registrar a list of all Beneficial Owners of the Bonds, together with the dollar amount of each Beneficial Owner's interest in the Bonds and the current addresses of such Beneficial Owners.

Section 4. Redemption of Bonds and BANs. (a) Effective twelve (12) months after their date of delivery, the BANs are prepayable by the Town, in whole or in part, on any date, upon 7 days' notice to the owner of the BANs, without any premium.

(b) The Bonds are redeemable at the option of the Town, no sooner than eight years from their date of issuance, and thereafter on any date, on thirty (30) days' notice, in whole or in part, in the order of maturity as determined by the Town and by lot within a maturity, at face value, with a premium not to exceed 2%, plus in each case accrued interest to the date of

redemption. The exact redemption dates and premiums shall be established by the Clerk-Treasurer with the advice of the Town's financial advisor prior to the sale of the Bonds.

(c) If any Bond is issued as a term bond, the Paying Agent shall credit against the mandatory sinking fund requirement for the Bonds maturing as term bonds, and corresponding mandatory redemption obligation, in the order determined by the Town, any Bonds maturing as term bonds which have previously been redeemed (otherwise than as a result of a previous mandatory redemption requirement) or delivered to the Registrar for cancellation or purchased for cancellation by the Paying Agent and not theretofore applied as a credit against any redemption obligation. Each Bond maturing as a term bond so delivered or cancelled shall be credited by the Paying Agent at 100% of the principal amount thereof against the mandatory sinking fund obligation on such mandatory sinking fund date, and any excess of such amount shall be credited on future redemption obligations, and the principal amount of the Bonds to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced; provided, however, the Paying Agent shall credit only such Bonds maturing as term bonds to the extent received on or before forty-five (45) days preceding the applicable mandatory redemption date as stated above.

Each Five Thousand Dollars (\$5,000) principal amount shall be considered a separate bond for purposes of optional and mandatory redemption. If less than an entire maturity is called for redemption, the Bonds to be called shall be selected by lot by the Registrar. If some Bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the Bonds for optional redemption before selecting the Bonds by lot for the mandatory sinking fund redemption.

(d) In either case, notice of such redemption shall be given at least thirty (30) days prior to the date fixed for redemption by mail unless the notice is waived by the registered owner of a Bond. Such notice shall be mailed to the address of the registered owners as shown on the registration records of the Town as of the date which is forty-five (45) days prior to such redemption date. The notice shall specify the date and place of redemption and sufficient identification of the Bonds called for redemption. The place of redemption shall be determined by the Town. Interest on the Bonds so called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the principal office of the Paying Agent to pay the redemption price on the date so named. Coincidentally with the payment of the redemption price, the Bonds so called for redemption shall be surrendered for cancellation.

Section 5. Execution of Bonds and BANs. The BANs and Bonds shall be signed in the name of the Town by the manual or facsimile signature of the President of the Town Council and attested by the manual or facsimile signature of its Clerk-Treasurer, who shall affix the seal of the Town to each of the Bonds manually or shall have the seal imprinted or impressed thereon by facsimile. These officials, by the signing of a Signature and No Litigation Certificate, shall adopt as and for their own proper signatures their facsimile signatures appearing on the Bonds. The Bonds must be authenticated by an authorized officer of the Registrar.

The Bonds, and any bonds ranking on a parity therewith, as to both principal and interest, shall be payable from and secured by an irrevocable pledge of and shall constitute a first charge upon the Net Revenues of the sewage works of the Town, on a parity with the Outstanding Bonds. The Town shall not be obligated to pay the Bonds or the interest thereon except from the Net Revenues of said works, and the Bonds shall not constitute an indebtedness of the Town within the meaning of the provisions and limitations of the constitution of the State of Indiana.

Section 6. Form of Bond. The form and tenor of the Bonds shall be substantially as follows, all blanks to be filled in properly and all necessary additions and deletions to be made prior to delivery thereof:

[Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Town of Westfield, Indiana, or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]

No. _____

UNITED STATES OF AMERICA
STATE OF INDIANA COUNTY OF HAMILTON

TOWN OF WESTFIELD
SEWAGE WORKS REVENUE BOND OF 20____

Maturity <u>Date</u>	Interest <u>Rate</u>	Original <u>Date</u>	Authentication <u>Date</u>	<u>CUSIP</u>
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REGISTERED OWNER:

PRINCIPAL SUM:

The Town of Westfield ("Town"), in Hamilton County, State of Indiana, for value received, hereby promises to pay to the Registered Owner (named above) or registered assigns, solely out of the special revenue fund hereinafter referred to, the Principal Sum set forth above on the Maturity Date set forth above (unless this hereinafter defined Bond be subject to and shall have been duly called for redemption and payment as provided for herein), and to pay interest hereon until the Principal Sum shall be fully paid at the rate per annum specified above from the interest payment date to which interest has been paid next preceding the Authentication Date of this Bond unless this Bond is authenticated after the fifteenth day of the month preceding an interest payment date and on or before such interest payment in which case it shall bear interest from such interest payment date, or unless this Bond is authenticated on or before _____, 20____, in which case it shall bear interest from the Original Date, which interest is payable semiannually on the first days of March and September of each year, beginning on _____ 1, 20____. Interest shall be calculated according to a 360-day calendar year containing twelve 30-day months.

The principal of this Bond is payable at the principal office of _____ ("Registrar" or "Paying Agent"), in the _____ of _____, Indiana. All payments of interest on this Bond shall be paid by check mailed one business day prior to the interest payment date to the registered owner hereof, as of the fifteenth day of the month preceding such payment, at the address as it appears on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by the registered owner. If payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). All payments on the Bond shall be made in any coin or currency of the United States of America, which on the dates of such payment, shall be legal tender for the payment of public and private debts.

This Bond shall not constitute an indebtedness of the Town within the meaning of the provisions and limitations of the constitution of the State of Indiana, and the Town shall not be obligated to pay this Bond or the interest hereon except from the special fund provided from the Net Revenues (as hereinafter defined).

This Bond is one of an authorized issue of Bonds of the Town of like tenor and effect, except as to numbering, interest rate, and dates of maturity, in the total amount of _____ Dollars (\$ _____) ("Bonds"), numbered from 1 up, issued for the purpose of providing funds to be applied on the cost of additions and improvements to the Town's sewage works, [to refund interim notes issued in anticipation of the Bonds] and to pay incidental expenses, [including premiums for municipal bond insurance and a debt service reserve surety,] as authorized by an Ordinance adopted by the Town Council of the Town on the _____ day of _____, 2007, entitled "An Ordinance concerning the construction of additions and improvements to the sewage works of the Town of Westfield, the issuance of revenue bonds to provide the cost thereof, the collection, segregation and distribution of the revenues of said works, the safeguarding of the interests of the owners of said revenue bonds, other matters connected therewith, including the issuance of notes in anticipation of bonds, and repealing ordinances inconsistent herewith" ("Ordinance"), and in strict compliance with the provisions of IC 36-9-23, as in effect on the issue date of the Bonds ("Act").

Pursuant to the provisions of the Act and the Ordinance, the principal and interest of this Bond and all other Bonds of said issue, and any bonds hereafter issued on a parity therewith, are payable solely from the Sewage Works Sinking Fund (continued by the Ordinance) to be provided from the Net Revenues (defined as the gross revenues of the sewage works after the payment of the reasonable expenses of operation, repair and maintenance) of the sewage works of the Town. The payment of this Bond ranks on a parity with the payment of the Outstanding Bonds (as defined in the Ordinance).

The Town irrevocably pledges the entire Net Revenues of said sewage works to the prompt payment of the principal of and interest on the Bonds authorized by the Ordinance, of which this is one, and any bonds ranking on a parity therewith, including the Outstanding Bonds,

to the extent necessary for that purpose, and covenants that it will cause to be fixed, maintained and collected such rates and charges for service rendered by said works as are sufficient in each year for the payment of the proper and reasonable expenses of operation, repair and maintenance of said works, for the payment of the sums required to be paid into the Sinking Fund under the provisions of the Act and the Ordinance, and any payments owed to the providers of the 2002 Surety and the 2004 Surety, each as defined in the Ordinance. If the Town or the proper officers of the Town shall fail or refuse to so fix, maintain and collect such rates or charges, or if there be a default in the payment of the interest on or principal of this Bond, the owner of this Bond shall have all of the rights and remedies provided for in the Act, including the right to have a receiver appointed to administer the works and to charge and collect rates sufficient to provide for the payment of this Bond and the interest hereon.

The Town further covenants that it will set aside and pay into its Sewage Works Sinking Fund a sufficient amount of the Net Revenues of said works to meet (a) the interest on all bonds which by their terms are payable from the revenues of the sewage works, as such interest shall fall due, (b) the necessary fiscal agency charges for paying the bonds and interest, (c) the principal of all bonds which by their terms are payable from the revenues of the sewage works, as such principal shall fall due, and (d) an additional amount to [create and] maintain the reserve required by the Ordinance. Such required payments shall constitute a first charge upon all the Net Revenues of said works, on a parity with the Outstanding Bonds.

The Bonds of this issue maturing on September 1, 20____, and thereafter, are redeemable at the option of the Town on _____ 1, 20____, or any date thereafter, on thirty (30) days' notice, in whole or in part, in the order of maturity and by lot within a maturity, at face value, together with the following premiums:

_____% if redeemed on _____, 20____, or thereafter
on or before _____, 20____;
_____% if redeemed on _____, 20____, or thereafter
on or before _____, 20____;
0% if redeemed on _____, 20____, or thereafter
prior to maturity;

plus in each case accrued interest to the date fixed for redemption.

[The Bonds maturing on September 1, 20____ are subject to mandatory sinking fund redemption prior to maturity, at a redemption price equal to the principal amount thereof plus accrued interest, on September 1 in the years and in the amounts set forth below:

<u>20</u>	<u>Term Bond</u>
<u>Year</u>	<u>Amount</u>
*	

*Final Maturity]

Each Five Thousand Dollars (\$5,000) principal amount shall be considered a separate bond for purposes of optional [or mandatory redemption]. If less than an entire maturity is called

for redemption, the Bonds to be redeemed shall be selected by lot by the Registrar. [If some Bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the Bonds for optional redemption before selecting the Bonds by lot for the mandatory sinking fund redemption.]

Notice of such redemption shall be mailed to the address of the registered owner as shown on the registration records of the Town, as of the date which is forty-five (45) days prior to such redemption date, not less than thirty (30) days prior to the date fixed for redemption unless the notice is waived by the registered owner of this Bond. The notice shall specify the date and place of redemption and sufficient identification of the Bonds called for redemption. The place of redemption may be determined by the Town. Interest on the Bonds so called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price on the date so named.

If this Bond shall not be presented for payment or redemption on the date fixed therefor, the Town may deposit in trust with its depository bank, an amount sufficient to pay such Bond or the redemption price, as the case may be, and thereafter the registered owner shall look only to the funds so deposited in trust with said bank for payment and the Town shall have no further obligation or liability in respect thereto.

This Bond is transferable or exchangeable only upon the books of the Town kept for that purpose at the office of the Registrar, by the registered owner hereof in person, or by its attorney duly authorized in writing, upon surrender of this Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or to the registered owner, as the case may be, in exchange therefor. The Town, the Registrar and any paying agent for this Bond may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon.

This Bond is subject to defeasance prior to redemption or payment as provided in the Ordinance referred to herein. THE OWNER OF THIS BOND, BY THE ACCEPTANCE HEREOF, HEREBY AGREES TO ALL THE TERMS AND PROVISIONS CONTAINED IN THE ORDINANCE. The Ordinance may be amended without the consent of the owners of the Bonds as provided in the Ordinance.

The Bonds maturing in any one year are issuable only in fully registered form in the denomination of \$5,000 or any integral multiple thereof not exceeding the aggregate principal amount of the Bonds maturing in such year.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the preparation and complete execution, issuance and delivery of this Bond have been done and performed in regular and due form as provided by law.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by an authorized representative of the Registrar.

IN WITNESS WHEREOF, the Town of Westfield, in Hamilton County, Indiana, has caused this Bond to be executed in its corporate name by the manual or facsimile signature of its Town Council President, its corporate seal to be hereunto affixed, imprinted or impressed by any means and attested manually or by facsimile by its Clerk-Treasurer.

TOWN OF WESTFIELD, INDIANA

[SEAL]

By: _____
Town Council President

Attest:

Clerk-Treasurer

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

It is hereby certified that this Bond is one of the Bonds described in the Ordinance.

as Registrar

By: _____
Authorized Representative

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____, the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney, to transfer the within Bond in the books kept for the registration thereof with full power of substitution in the premises.

Dated: _____

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

[End of form of Bond]

Section 7. Preparation and Sale of BANs and Bonds; Official Statement; Continuing Disclosure; Bond Insurance. (a) The Clerk-Treasurer is hereby authorized and directed to have the BANs and the Bonds prepared, and the Town Council President and Clerk-Treasurer are hereby authorized and directed to execute and attest the BANs and the Bonds in the form and manner provided herein. The Clerk-Treasurer is hereby authorized and directed to deliver the BANs and the Bonds to the respective purchasers thereof. At the time of delivery of the BANs and the Bonds, the Clerk-Treasurer shall collect the full amount which the respective purchasers have agreed to pay therefor, which amount shall not be less than 99% of the face value of the BANs and not less than 98.5% of the face value of the Bonds, as the case may be. Payment for the BANs may be made in installments. The Bonds, when fully paid for and delivered to the purchaser, shall be the binding special revenue obligations of the Town payable out of the Net Revenues of the sewage works. The proper officers of the Town are hereby directed to sell the Bonds, to draw all proper and necessary warrants, and to do whatever acts and things which may be necessary to carry out the provisions of this ordinance.

(b) Distribution of an Official Statement (preliminary and final) prepared by O.W. Krohn & Associates, LLP, on behalf of the Town, is hereby approved and the Town Council President or the Clerk-Treasurer is authorized and directed to execute the Official Statement on

behalf of the Town in a form consistent with this ordinance. The Town Council President or the Clerk-Treasurer is hereby authorized to designate the preliminary Official Statement as "nearly final" for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission ("Rule").

(c) The substantially final form of Continuing Disclosure Undertaking Agreement ("Agreement") attached hereto is hereby approved by the Council. For any Bonds subject to the Rule, the Town Council President and the Clerk-Treasurer are hereby authorized and directed to complete and execute the same on behalf of the Town. Notwithstanding any other provisions of this ordinance, failure of the Town to comply with the Agreement shall not be considered an event of default under the Bonds or this ordinance.

(d) In the event the financial advisor to the Town certifies to the Town that it would be economically advantageous for the Town to obtain a municipal bond insurance policy the Town hereby authorizes the purchase of such an insurance policy. The acquisition of a municipal bond insurance policy is hereby deemed economically advantageous in the event the difference between the present value cost of (a) the total debt service on the Bonds if issued without municipal bond insurance and (b) the total debt service on the Bonds if issued with municipal bond insurance, is greater than the cost of the premium on the municipal bond insurance policy. If such an insurance policy is purchased, the Town Council President and the Clerk-Treasurer are hereby authorized to execute and deliver all agreements with the provider of the insurance policy to the extent necessary to comply with the terms of such insurance policy and the commitment to issue such policy. Such agreements shall be deemed a part of this ordinance for all purposes and are hereby incorporated herein by reference.

Section 8. Bond Sale Notice. Prior to the sale of the Bonds, the Clerk-Treasurer shall cause to be published either (i) a notice of bond sale in the one newspaper published in Hamilton County with general circulation in the Town, two times, at least one week apart, the first publication made at least fifteen (15) days before the date of the sale and the second publication being made at least three (3) days before the date of the sale, or (ii) a notice of intent to sell in one newspaper published in Hamilton County with general circulation in the Town, and in the *Court & Commercial Record* all in accordance with IC 5-1-11 and IC 5-3-1. The notice shall also be posted at the Town Hall. A notice or summary notice of sale may also be published in the *Court & Commercial Record* or in *The Bond Buyer* in New York, New York. The notice shall state the character and amount of the Bonds, the maximum rates of interest thereon, the terms and conditions upon which bids will be received and the sale made, and such other information as the Clerk-Treasurer and the attorneys employed by the Town shall deem advisable, and any summary notice may contain any information deemed so advisable. Said notice shall provide, among other things, that bidders for the Bonds will be required to name the rate or rates of interest which the Bonds are to bear, not exceeding the maximum rate hereinbefore fixed, and that such interest rate or rates shall be in multiples of one-eighth (1/8) or one-twentieth (1/20) of one percent (1%). The rate bid on a maturity shall be equal to or greater than the rate bid on the immediately preceding maturity. No conditional bid or bid for less than 98.5% of the face amount of the Bonds will be considered. The notice may provide, among other things, that each bid shall be accompanied by a certified or cashier's check or a financial surety bond to guarantee performance on the part of the bidder. If a financial surety bond is used, it must be from an insurance company licensed to issue such bond in the State of Indiana, and such bond must be submitted to the Town prior to the opening of the bids. The financial

surety bond must identify each bidder whose good faith deposit is guaranteed by such financial surety bonds. If the Bonds are awarded to a bidder utilizing a financial surety bond, then that purchaser is required to submit to the Town a certified or cashier's check (or wire transfer such amount as instructed by the Town) not later than 3:30 p.m. (Westfield Time) on the next business day following the award. In the event the successful bidder shall fail or refuse to accept delivery of the Bonds and pay for the same as soon as the Bonds are ready for delivery, or at the time fixed in the notice of sale, then said check and the proceeds thereof shall be the property of the Town and shall be considered as its liquidated damages on account of such default. The opinion of Ice Miller LLP, bond counsel of Indianapolis, Indiana, approving the legality of the Bonds will be furnished to the purchaser at the expense of the Town.

The Bonds shall be awarded by the Clerk-Treasurer to the best bidder who has submitted its bid in accordance with the terms of this ordinance and the notice. The best bidder will be the one who offers the lowest net interest cost to the Town to be determined by computing the total interest on all of the Bonds to their maturities, adding thereto the discount bid, if any, and deducting therefrom the premium bid, if any. The right to reject any and all bids is hereby reserved. If an acceptable bid is not received on the date of sale, the sale may be continued from day to day thereafter without further advertisement for a period of thirty (30) days, during which time no bid which provides a higher net interest cost to the Town than the best bid received at the time of the advertised sale will be considered.

Section 9. Use of Proceeds. Any accrued interest received at the time of the delivery of the Bonds and premium, if any, shall be deposited in the Sewage Works Sinking Fund ("Sinking Fund"). The remaining proceeds from the sale of the Bonds, to the extent not used to refund BANs, and the remaining BAN proceeds shall be deposited in a bank or banks which are

legally designated depositories for the funds of the Town, in a special account or accounts to be designated as "Town of Westfield, Sewage Works Construction Account" ("Construction Account"). All funds deposited to the credit of the Sinking Fund or Construction Account shall be deposited, held, secured or invested in accordance with the laws of the State of Indiana relating to the depositing, holding, securing or investing of public funds, including particularly IC 5-13, and the acts amendatory thereof and supplemental thereto. The funds in the Construction Account shall be expended only for the purpose of paying the cost of the Project, refunding the BANs, if issued, or as otherwise required by the Act or for the expenses of issuance of the Bonds or BANs. The cost of obtaining the legal services of Ice Miller LLP shall be considered as a part of the cost of the Project on account of which the BANs and Bonds are issued.

Any balance or balances remaining unexpended in such special account or accounts after completion of the Project, which are not required to meet unpaid obligations incurred in connection with such Project, shall either (1) be paid into the Sinking Fund and used solely for the purposes of the Sinking Fund or (2) be used for the same purpose or type of project for which the Bonds were originally issued, all in accordance with IC 5-1-13, as amended and supplemented.

Section 10. Pledge of Net Revenues. The interest on and the principal of the Bonds issued pursuant to the provisions of this ordinance, and any bonds hereafter issued on a parity therewith, shall constitute a first charge on all the Net Revenues, on a parity with the Outstanding Bonds, and such Net Revenues are hereby irrevocably pledged to the payment of the interest on and principal of such Bonds, to the extent necessary for that purpose.

Section 11. Revenue Fund. All revenues derived from the operation of the sewage works and from the collection of sewer rates and charges shall be deposited in the Revenue Fund, hereby continued, and segregated and deposited as set forth in this ordinance. Of these revenues the proper and reasonable expenses of operation, repair and maintenance of the works shall be paid, the principal and interest of all bonds and fiscal agency charges of registrars or paying agents shall be paid, the reserve shall be funded and the costs of replacements, extensions, additions and improvements shall be paid.

Section 12. Operation and Maintenance Fund. The Operation and Maintenance Fund ("O&M Fund") is hereby continued. There shall be transferred from the Revenue Fund and credited to the O&M Fund on the last day of each calendar month, a sufficient amount of the revenues of the sewage works so that the balance in this Fund shall be sufficient to pay the expenses of operation, repair and maintenance for the then next succeeding two calendar months. The moneys credited to this Fund shall be used for the payment of the reasonable and proper operation, repair and maintenance expenses of the sewage works on a day-to-day basis. Any monies in said Fund may be transferred to the Sewage Works Sinking Fund if necessary to prevent a default in the payment of principal of or interest on the outstanding bonds of the sewage works.

Section 13. Sewage Works Sinking Fund. The special fund designated "Sewage Works Sinking Fund" ("Sinking Fund"), is hereby continued for the payment of the principal of and interest on revenue bonds which by their terms are payable from the Net Revenues of the sewage works and the payment of any fiscal agency charges in connection with the payment of bonds. There shall be set aside and deposited in the Sinking Fund, as available, and as hereinafter provided, a sufficient amount of the Net Revenues of the sewage works to meet the

requirements of the Debt Service Account and Reserve Account hereby continued in the Sinking Fund. Such payments shall continue until the balances in the Debt Service Account and the Reserve Account equal the principal of and interest on all of the then outstanding bonds of the sewage works to their final maturity.

(a) Debt Service Account. The Debt Service Account is hereby continued. There shall be credited on the last day of each calendar month from the Revenue Fund to the Debt Service Account an amount of the Net Revenues equal to at least one-twelfth (1/12) of the principal of and at least one-sixth (1/6) of the interest on all then outstanding bonds and any BANs with interest payable from Net Revenues payable on the then next succeeding principal and interest payment dates until the amount of interest and principal payable on the then next succeeding interest and principal payment dates shall have been so credited. There shall similarly be credited to the account any amount necessary to pay the bank fiscal agency charges for paying interest on outstanding bonds as the same become payable. The Town shall, from the sums deposited in the Sinking Fund and credited to the Debt Service Account, remit promptly to the registered owner or to the bank fiscal agency sufficient moneys to pay the interest and principal on the due dates thereof together with the amount of bank fiscal agency charges.

(b) Reserve Account. There is hereby continued, within the Sinking Fund, the Reserve Account ("Reserve Account"). The 2002 Bonds are secured with a separate surety available only for the 2002 Bonds ("2002 Surety") and the 2004 Bonds are secured with a separate surety available only for the 2004 Bonds ("2004 Surety"). The 2002 Surety and the 2004 Surety shall not in any way secure the Bonds or be used to pay the principal of or interest on the Bonds. The 2006 Bonds are secured with cash held in the Reserve Account.

On the date of delivery of the Bonds, funds on hand of the sewage works, Bonds proceeds or a combination thereof may be deposited into the Reserve Account. If cash is used as a reserve for the Bonds, the balance to be maintained in the Reserve Account shall equal but not exceed the least of: (i) the maximum annual debt service on the 2006 Bonds and the Bonds; (ii) 125% of the average annual debt service on the 2006 Bonds and the Bonds; or (iii) ten percent (10%) of the proceeds of the 2006 Bonds and the Bonds ("Reserve Requirement").

The Town may also purchase a separate surety to serve as a reserve for the Bonds. The surety bond for the Bonds must be issued by an insurance company rated in the highest rating category by Standard & Poor's Corporation and Moody's Investors Service. If a surety bond is purchased for the Bonds, the Town Council President and the Clerk-Treasurer are hereby authorized to execute and deliver an agreement with the provider of the surety bond necessary to comply with the terms of such surety bond. Such agreement shall be deemed a part of this ordinance for all purposes and is hereby incorporated herein by reference. If a surety bond is purchased for the Bonds, the coverage available under the surety for the Bonds shall equal the least of: (i) the maximum annual debt service on the Bonds; (ii) 125% of the average annual debt service on the Bonds; or (iii) ten percent (10%) of the proceeds of the Bonds.

Regardless of whether the reserve for the Bonds is funded with cash, a surety, or a combination thereof, the reserve shall be fully funded on the date of delivery of the Bonds. The Reserve Account shall constitute the margin for safety and protection against default in the payment of principal of and interest on the Outstanding Bonds and the Bonds and the moneys in the Reserve Account shall be used to pay current principal and interest on the Outstanding Bonds and the Bonds to the extent that moneys in the Debt Service Account are insufficient for that purpose. Any deficiency in the balance maintained in the Reserve Account shall be made up

from the next available Net Revenues remaining after credits into the Debt Service Account. Any interest earnings that accumulate in excess of the Reserve Requirement shall be considered revenues of the sewage works.

Section 14. Sewage Works Improvement Fund. After meeting the requirements of the O&M Fund and the Sinking Fund, any excess revenues may be transferred or credited from the Revenue Fund to the Sewage Works Improvement Fund ("Improvement Fund"), hereby continued, and said Fund shall be used for improvements, replacements, additions and extensions of the sewage works. Moneys in the Improvement Fund shall be transferred to the Sinking Fund if necessary to prevent a default in the payment of principal and interest on the then outstanding bonds or, if necessary, to eliminate any deficiencies in credits to or minimum balance in the Reserve Account of the Sinking Fund or may be transferred to the O&M Fund to meet unforeseen contingencies in the operation, repair and maintenance of the sewage works.

Section 15. Maintenance of Funds. The Sinking Fund shall be deposited in and maintained as a separate account or accounts from all other accounts of the Town. The O&M Fund and the Improvement Fund may be maintained in a single account, or accounts, but such account, or accounts, shall likewise be maintained separate and apart from all other accounts of the Town and apart from the Sinking Fund account or accounts. All moneys deposited in the accounts shall be deposited, held and secured as public funds in accordance with the public depository laws of the State of Indiana; provided that moneys therein may be invested in obligations in accordance with the applicable laws, including particularly Indiana Code, Title 5, Article 13, as amended or supplemented, and in the event of such investment the income therefrom shall become a part of the funds invested and shall be used only as provided in this ordinance.

Section 16. Financial Records and Accounts. The Town shall keep proper books of records and accounts, separate from all of its other records and accounts, in which complete and correct entries shall be made showing all revenues collected from said works and all disbursements made on account of the works, also all transactions relating to said works. Copies of all such statements and reports, together with all audits of the sewage works made available to the Town by the Indiana State Board of Accounts or any successor body authorized by law to audit municipal accounts, shall be kept on file in the office of the Clerk-Treasurer.

Section 17. Rate Covenant. The Town covenants and agrees that it will establish and maintain just and equitable rates or charges for the use of and the service rendered by the works, to be paid by the owner of each and every lot, parcel of real estate or building that is connected with and uses the sewage works by or through any part of the sewage system of the Town, or that in any way uses or is served by the sewage works; that such rates or charges shall be sufficient in each year for the payment of the proper and reasonable expenses of operation, repair and maintenance of the works, for the payment of the sums required to be paid into the Sinking Fund by the Act and this Ordinance, and for so long as the 2002 Surety or the 2004 Surety is in place, any amounts required to be paid to the respective providers thereof under the terms of such 2002 Surety and 2004 Surety. Such rates or charges shall, if necessary, be changed and readjusted from time to time so that the revenues therefrom shall always be sufficient to meet the expenses of operation, repair and maintenance of the sewage works and the requirements of the Sinking Fund. The rate or charges so established shall apply to any and all use of such works by and service rendered to the Town and all departments thereof, and shall be paid by the Town or the various departments thereof as the charges accrue.

Section 18. Additional Bond Provisions. The Town reserves the right to authorize and issue additional BANs at any time ranking on a parity with the BANs. The Town reserves the right to authorize and issue additional bonds, payable out of the Net Revenues of its sewage works, ranking on a parity with the Bonds, for the purpose of financing the cost of future additions, extensions and improvements to the sewage works, or to refund obligations, subject to the following conditions:

(a) The interest on and principal of all bonds payable from the Net Revenues of the sewage works shall have been paid to date in accordance with the terms thereof and all required payments shall have been made into the Sinking Fund in accordance with the provisions of this ordinance.

(b) The Net Revenues of the sewage works in the fiscal year immediately preceding the issuance of any such bonds ranking on a parity with the Bonds shall be not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of the then outstanding bonds and the additional parity bonds proposed to be issued; or, prior to the issuance of said parity bonds, the sewage rates and charges shall be increased sufficiently so that the increased rates and charges applied to the previous year's operations would have produced Net Revenues for said period equal to not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of the then outstanding bonds including the additional parity bonds proposed to be issued. For purposes of this subsection, the records of the sewage works shall be analyzed and all showings prepared by a certified public accountant employed by the Town for that purpose.

(c) The principal on, or mandatory sinking fund redemption dates for, said additional parity bonds shall be payable annually on September 1 and the interest on said additional parity

bonds shall be payable semiannually on March 1 and September 1 in the years in which such principal and interest are payable.

(d) For so long as the 2002 Surety or the 2004 Surety is in place, the Town shall fully fund on the date of delivery of the additional parity bonds, any reserve for the parity bonds in a manner commensurate with Section 13 of this ordinance.

Section 19. Further Covenants of the Town; Maintenance, Insurance, Pledge Not to Encumber, Subordinate Indebtedness and Contract with Bondholders. For the purpose of further safeguarding the interests of the holders of the BANs and Bonds, it is specifically provided as follows:

(a) All contracts let by the Town in connection with the construction of the Project shall be let after due advertisement as required by the laws of the State of Indiana, and all contractors shall be required to furnish surety bonds in an amount equal to one hundred percent (100%) of the amount of such contracts, to insure the completion of said contracts in accordance with their terms, and such contractors shall also be required to carry such employer's liability and public liability insurance as are required under the laws of the State of Indiana in the case of public contracts, and shall be governed in all respects by the laws of the State of Indiana relating to public contracts.

(b) The Project shall be constructed under the supervision and subject to the approval of such competent engineer as shall be designated by the Town. All estimates for work done or material furnished shall first be checked by the engineer and approved by the Town.

(c) So long as any of the BANs or Bonds are outstanding, the Town shall at all times maintain its sewage works in good condition and operate the same in an efficient manner and at a reasonable cost.

(d) So long as any of the BANs or Bonds are outstanding, the Town shall maintain insurance on the insurable parts of said works, of a kind and in an amount as would normally be carried by private corporations engaged in a similar type of business. All insurance shall be placed with responsible insurance companies qualified to do business under the laws of the State of Indiana.

As an alternative to maintaining such insurance, the Town may maintain a self-insurance program with catastrophic or similar coverage so long as such program meets the requirements of any applicable laws or regulations and is maintained in a manner consistent with programs maintained by similarly situated municipalities.

All insurance or self-insurance proceeds shall be used in restoring or replacing the property destroyed or damaged, or shall be deposited in the Sinking Fund.

(e) So long as any of the BANs or Bonds are outstanding, the Town shall not mortgage, pledge or otherwise encumber the property and plant of its sewage works system, or any part thereof, nor shall it sell, lease or otherwise dispose of any part of the same, excepting only such machinery, equipment or other property as may be replaced, or shall no longer be necessary for use in connection with said utility.

(f) Except as hereinbefore provided in Section 18 hereof, so long as any of the Bonds herein authorized are outstanding, no additional bonds or other obligations pledging any portion of the revenues of said sewage works shall be authorized, executed, or issued by the Town except such as shall be made subordinate and junior in all respects to the Bonds, unless all of the Bonds are redeemed or defeased pursuant to Section 20 hereof coincidentally with the delivery of such additional bonds or other obligations.

(g) The Town shall take all actions or proceedings necessary and proper, to the extent permitted by law, to require connection of all property where liquid and solid waste, sewage, night soil or industrial waste is produced with available sanitary sewers. The Town shall, insofar as possible, and to the extent permitted by law, cause all such sanitary sewers to be connected with said sewage works.

(h) The provisions of this ordinance shall constitute a contract by and between the Town and the owners of the Bonds and BANs herein authorized, all the terms of which shall be enforceable by any BAN holder or bondholder by any and all appropriate proceedings in law or in equity. After the issuance of the Bonds or BANs, this ordinance shall not be repealed, amended or modified in any respect which will adversely affect the rights or interests of the owners of the Bonds or BANs nor shall the Town Council adopt any law, ordinance or resolution which in any way adversely affects the rights of such owners so long as any of the Bonds, BANs or the interest thereon remain outstanding or unpaid. Except for the changes set forth in Section 23(a)-(f), this ordinance may be amended, however, without the consent of BAN or Bond owners, if the Town Council determines, in its sole discretion, that such amendment would not adversely affect the owners of the BANs or Bonds.

(i) The provisions of this ordinance shall be construed to create a trust in the proceeds of the sale of the Bonds and BANs herein authorized for the uses and purposes herein set forth, and the owners of the Bonds and BANs shall retain a lien on such proceeds until the same are applied in accordance with the provisions of this ordinance and of the governing Act. The provisions of this ordinance shall also be construed to create a trust in the Net Revenues herein directed to be set apart and paid into the Sinking Fund for the uses and purposes of said Fund as in this ordinance set forth. The owners of the Bonds shall have all of the rights,

remedies and privileges set forth in the provisions of the governing Act hereinbefore referred to, including the right to have a receiver appointed to administer the sewage works in the event the Town shall fail or refuse to fix and collect sufficient rates and charges for those purposes, or shall fail or refuse to operate and maintain said system and to apply properly the revenues derived from the operation thereof, or if there be a default in the payment of the interest on or principal of the Bonds.

Section 20. Defeasance of Bonds. If, when any of the Bonds issued hereunder or any portion thereof shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the Bonds or any portion thereof for redemption shall have been given, and the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the Bonds then outstanding or any portion thereof shall be paid; or (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, the principal of and the interest on which when due will provide sufficient moneys for such purpose, or (iii) time certificates of deposit fully secured as to both principal and interest by obligations of the kind described in (ii) above of a bank or banks the principal of and interest on which when due will provide sufficient moneys for such purpose, shall be held in trust for such purpose, and provision shall also be made for paying all fees and expenses for the redemption, then and in that case the Bonds issued hereunder or any designated portion thereof shall no longer be deemed outstanding or entitled to the pledge of the Net Revenues of the Town's sewage works.

Section 21. Investments of Funds. (a) The Clerk-Treasurer is hereby authorized to invest moneys pursuant to IC 5-1-14-3 and the provisions of this ordinance (subject to applicable

requirements of federal law to insure such yield is the then current market rate) to the extent necessary or advisable to preserve the exclusion from gross income of interest on the Bonds and BANs under federal law.

(b) The Clerk-Treasurer shall keep full and accurate records of investment earnings and income from moneys held in the funds and accounts continued or referenced herein. In order to comply with the provisions of the ordinance, the Clerk-Treasurer is hereby authorized and directed to employ consultants or attorneys from time to time to advise the Town as to requirements of federal law to preserve the tax exclusion. The Clerk-Treasurer may pay any fees as operation expenses of the sewage works.

Section 22. Tax Covenants. In order to preserve the exclusion of interest on the Bonds and BANs from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as existing on the date of issuance of the Bonds or BANs, as the case may be ("Code") and as an inducement to purchasers of the Bonds and BANs, the Town represents, covenants and agrees that:

(a) The sewage works will be available for use by members of the general public. Use by a member of the general public means use by natural persons not engaged in a trade or business. No person or entity other than the Town or another state or local governmental unit will use more than 10% of the proceeds of the Bonds or BANs or property financed by the Bond or BAN proceeds other than as a member of the general public. No person or entity other than the Town or another state or local governmental unit will own property financed by Bond or BAN proceeds or will have any actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract, arrangements such as take-or-pay or output contracts or any other type of arrangement that conveys other special legal entitlements and differentiates

that person's or entity's use of such property from use by the general public, unless such uses in the aggregate relate to no more than 10% of the proceeds of the Bonds or BANs, as the case may be. If the Town enters into a management contract for the sewage works, the terms of the contract will comply with IRS Revenue Procedure 97-13, as it may be amended, supplemented or superseded for time to time, so that the contract will not give rise to private business use under the Code and the Regulations, unless such use in aggregate relates to no more than 10% of the proceeds of the Bonds or BANs, as the case may be.

(b) No more than 10% of the principal of or interest on the Bonds or BANs is (under the terms of the Bonds or BANs, this ordinance or any underlying arrangement), directly or indirectly, secured by an interest in property used or to be used for any private business use or payments in respect of any private business use or payments in respect of such property or to be derived from payments (whether or not to the Town) in respect of such property or borrowed money used or to be used for a private business use.

(c) No more than 5% of the Bond or BAN proceeds will be loaned to any person or entity other than another state or local governmental unit. No more than 5% of the Bond or BAN proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the Bond or BAN proceeds.

(d) The Town reasonably expects, as of the date hereof, that the Bonds and BANs will not meet either the private business use test described in paragraph (a) and (b) above or the private loan test described in paragraph (c) above during the entire term of the Bonds or BANs, as the case may be.

(e) No more than 5% of the proceeds of the Bonds or BANs will be attributable to private business use as described in (a) and private security or payments described in (b)

attributable to unrelated or disproportionate private business use. For this purpose, the private business use test is applied by taking into account only use that is not related to any government use of proceeds of the issue (Unrelated Use) and use that is related but disproportionate to any governmental use of those proceeds (Disproportionate Use).

(f) The Town will not take any action nor fail to take any action with respect to the Bonds or BANs that would result in the loss of the exclusion from gross income for federal tax purposes on the Bonds or BANs pursuant to Section 103 of the Code, nor will the Town act in any other manner which would adversely affect such exclusion. The Town covenants and agrees not to enter into any contracts or arrangements which would cause the Bonds or BANs to be treated as private activity bonds under Section 141 of the Code.

(g) It shall be not an event of default under this ordinance if the interest on any Bond or BAN is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of issuance of the Bonds or BANs, as the case may be.

(h) These covenants are based solely on current law in effect and in existence on the date of delivery of such Bonds or BANs, as the case may be.

(i) The Town represents that it will rebate any arbitrage profits to the United States in accordance with the Code.

Section 23. Amendments with Consent of Bondholders. Subject to the terms and provisions contained in this section, and not otherwise, the owners of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of the Bonds issued pursuant to this ordinance and then outstanding shall have the right, from time to time, (anything contained in this ordinance to the contrary notwithstanding) to consent to and approve the adoption by the

Town of such ordinance or ordinances supplemental hereto as shall be deemed necessary or desirable by the Town for the purpose of modifying, altering, amending, adding to or rescinding in any particular any of the terms or provisions contained in this ordinance, or in any supplemental ordinance; provided, however, that nothing herein contained shall permit or be construed as permitting:

(a) An extension of the maturity of the principal of or interest on, or any mandatory sinking fund redemption date for, any Bond issued pursuant to this ordinance; or

(b) A reduction in the principal amount of any Bond, the redemption premium or the rate of interest thereon; or

(c) Except as otherwise noted in Section 2 with respect to the BANs, the creation of a lien upon or a pledge of the revenues of the sewage works ranking prior to the pledge thereof created by this ordinance; or

(d) A preference or priority of any Bond or Bonds issued pursuant to this ordinance over any other Bond or Bonds issued pursuant to the provisions of this ordinance; or

(e) A reduction in the aggregate principal amount of the Bonds required for consent to such supplemental ordinance; or

(f) A reduction in the balance to be maintained in the Reserve Account.

If the owners of not less than sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) in aggregate principal amount of the Bonds outstanding at the time of adoption of such supplemental ordinance shall have consented to and approved the adoption thereof by written instrument to be maintained on file in the office of the Clerk-Treasurer of the Town, no owner of any Bond issued pursuant to this ordinance shall have any right to object to the adoption of such supplemental ordinance or to object to any of the terms and provisions thereof. Upon the adoption of any

supplemental ordinance pursuant to the provisions of this section, this ordinance shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under this ordinance of the Town and all owners of Bonds issued pursuant to the provisions of this ordinance then outstanding, shall thereafter be determined exercised and enforced in accordance with this ordinance, subject in all respects to such modifications and amendments. Notwithstanding anything contained in the foregoing provisions of this ordinance, the rights and obligations of the Town and of the owners of the Bonds authorized by this ordinance, and the terms and provisions of the Bonds and this ordinance, or any supplemental ordinance, may be modified or altered in any respect with the consent of the Town and the consent of the owners of all the Bonds issued pursuant to this ordinance then outstanding.

Section 24. Issuance of BANs. (a) The Town, having satisfied all the statutory requirements for the issuance of its Bonds, may elect to issue its BAN or BANs pursuant to a Bond Anticipation Note Purchase Agreement ("Purchase Agreement") to be entered into between the Town and the purchaser of the BANs. The Town Council hereby authorizes the issuance and execution of the BAN or BANs in lieu of initially issuing Bonds to provide interim financing for the Project until permanent financing becomes available. It shall not be necessary for the Town to repeat the procedures for the issuance of the Bonds, as the procedures followed before the issuance of the BAN or BANs are for all purposes sufficient to authorize the issuance of the Bonds and the use of the proceeds to repay the BAN or BANs.

(b) The President of the Town Council and the Clerk-Treasurer are hereby authorized to execute a Purchase Agreement in such form or substance as they shall approve acting upon the advice of counsel. The President of the Town Council and the Clerk-Treasurer may also take such other actions or deliver such other certificates as are necessary or desirable in connection

with the issuance of the BANs or the Bonds and the other documents needed for the financing as they deem necessary or desirable in connection therewith.

Section 25. Rate Ordinance. The rates and charges of the sewage works are set forth in Ordinance No. 04-16 adopted on June 14, 2004 and Ordinance No. 06-43 adopted on September 9, 2006. Such ordinances are incorporated herein by reference.

Section 26. Tax Exemption. Notwithstanding any other provisions of this ordinance, the covenants and authorizations contained in this ordinance ("Tax Sections") which are designed to preserve the exclusion of interest on the BANs and Bonds from gross income under federal law ("Tax Exemption") need not be complied with if the Town receives an opinion of nationally recognized bond counsel that any Tax Section is unnecessary to preserve the Tax Exemption.

Section 27. Conflicting Ordinances. All ordinances and parts of ordinances in conflict herewith are hereby repealed; provided, however, that this ordinance shall not be construed as modifying, amending or repealing the ordinances authorizing the Outstanding Bonds or as adversely affecting the rights of the holders of the aforementioned Outstanding Bonds.

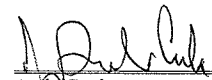
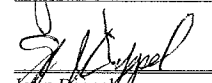
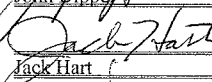
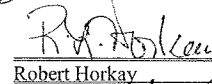
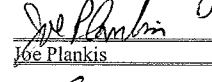
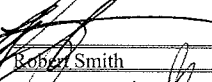
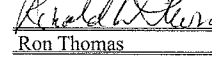
Section 28. Effective Date. This ordinance shall be in full force and effect from and after its passage.

This ordinance prepared by
Patricia A. Zelmer, Ice Miller LLP

Adopted this 14 day of May, 2007.

TOWN OF WESTFIELD TOWN COUNCIL

Voting For Voting Against Abstain

	President	
Andy Cook	Andy Cook	Andy Cook
		
John Dippel	John Dippel	John Dippel
		
Jack Hart	Jack Hart	Jack Hart
		
Robert Horkay	Robert Horkay	Robert Horkay
		
Joe Plankis	Joe Plankis	Joe Plankis
		
Robert Smith	Robert Smith	Robert Smith
		
Ron Thomas	Ron Thomas	Ron Thomas

Attest:

ATTEST:

Clerk--Treasurer, Cindy J. Gossard

"I affirm, under the penalties of perjury,
that I have taken reasonable care to redact
each Social Security Number in this
document, unless required by law"

Signed

EXHIBIT A

Project Description

The Project generally consists of the installation of approximately 10,480 linear feet of 48-inch diameter sewer, 15,640 linear feet of 54-inch diameter sewer, 820 linear feet of 60-inch diameter sewer, two segments of 125 linear feet and 110 linear feet to be jack and bored with steel casing pipe, seventy-two (72) manholes, granular backfill, flowable backfill, pavement repair, together with all necessary equipment and appurtenances necessary to complete the work in accordance with the plans and specifications.

CONTINUING DISCLOSURE
UNDERTAKING AGREEMENT

This CONTINUING DISCLOSURE UNDERTAKING AGREEMENT ("Agreement") is made as of _____, 20__ between the Town of Westfield, Indiana ("Obligor") and _____ ("Counterparty"), for the purpose of permitting _____, as underwriter ("Underwriter") of the Bonds to purchase the Bonds in compliance with the Securities and Exchange Commission ("SEC") Rule 15c2-12 ("SEC Rule") as published in the Federal Register on November 17, 1994.

Section 1. Definitions. The words and terms defined in this Agreement shall have the meanings herein specified unless the context or use clearly indicates another or different meaning or intent. Those words and terms not expressly defined herein and used herein with initial capitalization where rules of grammar do not otherwise require capitalization, shall have the meanings assigned to them in the SEC Rule.

- (1) "Bondholder" or "holder" or any similar term, when used with reference to a Bond or Bonds, means any person who shall be the registered owner of any outstanding Bond, including the holders of beneficial interests in the Bonds.
- (2) "DisclosureUSA" shall mean the Internet-based electronic filing system created by the Municipal Advisory Council of Texas for the purpose of facilitating compliance by issuers and obligated persons (both as defined in the SEC Rule) with continuing disclosure agreements entered into to satisfy the obligations of underwriters (as defined in the SEC Rule) under the SEC Rule. The web address of DisclosureUSA is www.DisclosureUSA.org. Further information regarding DisclosureUSA can be obtained from:

Municipal Advisory Council of Texas
P.O. Box 2177
Austin, TX 78768-2177

or

600 West 8th Street
Austin, TX 78701

Tel.: (512) 476-6947
Fax: (512) 476-6403
Internet: www.mactexas.com
Email: mac@mactexas.com

- (3) "Final Official Statement" means the Official Statement, dated as of _____, 20__, relating to the Bonds, including any document or set of documents included by specific reference to such document or documents previously provided to each NRMSIR and to the SID, or filed with the Municipal Securities Rulemaking Board ("MSRB").
- (4) "NRMSIR" means, at any point in time, a nationally recognized municipal securities information repository which is then recognized as such by the SEC, initially including but not limited to each of those entities listed on the attached Exhibit A.
- (5) "Obligated Person" means any person, including an issuer of municipal securities, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), for which Annual Information (as defined in Section 5 hereof) is presented in the Official Statement. All Obligated Persons with respect to the Bonds are identified in Section 4 below.
- (6) "SID" means the Indiana state information depository, if any, in existence from time to time.

Section 2. Bonds. This Agreement applies to the Sewage Works Revenue Bonds of 20__ in the principal amount of \$_____ ("Bonds").

Section 3. Term. The term of this Agreement is from the date of delivery of the Bonds by the Obligor to the earlier of (i) the date of the last payment of principal or redemption price, if any, of, and interest to accrue on, all the Bonds, (ii) the date the Bonds are defeased under Section 20 of the Ordinance adopted by the Obligor on _____, 2007 ("Ordinance"), or (iii) the date of rescission as described in Section 14.

Section 4. Obligated Persons. The Obligor hereby represents and warrants as of the date hereof that it is the only Obligated Person with respect to the Bonds. If the Obligor, at its sole discretion, determines that it is no longer an Obligated Person, this Agreement shall no longer apply to the Obligor.

Section 5. Provision of Annual Information. (a) The Obligor hereby undertakes to provide the following financial information:

- (1) To each NRMSIR and to the SID, when and if available, the audited financial statements of the Obligor as prepared and examined by the State Board of Accounts for each twelve-month period ending December 31, beginning with the twelve month period ending December 31, 20__,

together with the opinion of such accountants and all notes thereto, within sixty (60) days of receipt from the State Board of Accounts; and

- (2) To each NRMSIR and to the SID, within 180 days of each December 31, beginning with the calendar year ending December 31, 20__, unaudited annual financial information for the Obligor for such calendar year including (i) unaudited financial statements of the Obligor if audited financial statements are not available, and (ii) operating data of the type included under the following headings in Appendix A to the Final Official Statement (collectively, "Annual Information"):

[INSERT TO COME]

(b) If any Annual Information or audited financial statements relating to the Obligor referred to in paragraph (a) of this Section 5 no longer can be generated because the operations to which they related have been materially changed or discontinued, a statement to that effect, provided by the Obligor to each NRMSIR and to the SID, along with any other Annual Information or audited financial statements required to be provided under this Agreement, shall satisfy the undertaking to provide such Annual Information or audited financial statements. To the extent available, the Obligor shall cause to be filed along with the other Annual Information or audited financial statements operating data similar to that which can no longer be provided.

(c) The disclosure may be accompanied by a certificate of an authorized representative of the Obligor in the form of Exhibit B attached hereto.

(d) The Obligor agrees to make a good faith effort to obtain Annual Information. However, failure to provide audited financial statements or Annual Information because it is not available to the Obligor shall not be deemed to be a breach of this Agreement. The Obligor further agrees to supplement the Annual Information filing when such data is available.

(e) Annual Information or audited financial statements required to be provided pursuant to this Section 5 may be provided by a specific reference to such Annual Information or audited financial statements already prepared and previously provided to each NRMSIR and the SID, or filed with the SEC; however, if such document is a final official statement, it must also be available from the MSRB.

(f) Notwithstanding the foregoing, any information required to be provided by the Obligor to each NRMSIR and the SID pursuant to Section 5(a) and Section 7 may, instead, be provided by the Obligor to DisclosureUSA, but only for so long as the conditions for the interpretation made by the SEC in the Response continue to be met.

Section 6. Accounting Principles. The financial information will be prepared on a cash basis as prescribed by the State Board of Accounts, as in effect from time to time, as described in the auditors' report and notes accompanying the audited financial statements of the Obligor or those principles mandated by state law from time to time. The audited financial

statements of the Obligor, as described in Section 5(a)(1) hereof, will be prepared in accordance with generally accepted accounting standards and Government Auditing Standards issued by the Comptroller General of the United States.

Section 7. Material Events. The Obligor undertakes to disclose in a timely manner the occurrence of only the following events, if material (which determination of materiality shall be made by the Obligor in accordance with the standards established by federal securities laws), to each NRMSIR or to the MSRB, and to the SID:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- (7) modifications to the rights of Bondholders;
- (8) Bond calls (other than scheduled mandatory sinking fund redemptions for which notice is given in accordance with the Ordinance);
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds; and
- (11) rating changes.

The Obligor may from time to time choose to provide notice of the occurrence of any other event, in addition to those listed above, if, in the judgment of the Obligor, such other event is material with respect to the Bonds and should be disclosed, but the Obligor does not commit to provide any such notice of the occurrence of any material event except those events set forth above. The disclosure may be accompanied by a certificate of an authorized representative of the Obligor in the form of Exhibit B attached hereto.

Section 8. Notice to Counterparty [and Bond Insurer]. The Obligor hereby agrees to provide to the Counterparty a copy of any Annual Information, audited financial statements, material event notice, or notice of failure to disclose Annual Information which it files or causes to be filed pursuant to Sections 5, 7 and 10 hereof, respectively, concurrently with or prior to such filing. [So long as the financial guaranty insurance policy issued by _____ ("Bond Insurer") is in effect for the Bonds, any notices under this Agreement shall be provided to the Bond Insurer.]

Section 9. Use of Agent. The Obligor may, at its sole discretion, utilize an agent ("Dissemination Agent") in connection with the dissemination of any information required to be provided by the Obligor pursuant to the terms of the SEC Rule and this Agreement. If a Dissemination Agent is selected for these purposes, the Obligor shall provide prior written notice

thereof (as well as notice of replacement or dismissal of such agent) to the Counterparty and to each NRMSIR, the SID, and the MSRB.

Further, the Obligor may, at its sole discretion, retain counsel or others with expertise in securities matters for the purpose of assisting the Obligor in making judgments with respect to the scope of its obligations hereunder and compliance therewith, all in order to further the purposes of this Agreement as set forth in the preamble and Section 11 hereof.

Section 10. Failure to Disclose. If, for any reason, the Obligor fails to provide the audited financial statements or Annual Information as required by this Agreement, the Obligor shall provide notice of such failure in a timely manner to each NRMSIR or to the MSRB, and to the SID.

Section 11. Remedies. (a) The purpose of this Agreement is to enable the Underwriter to purchase the Bonds by providing for an undertaking by the Obligated Persons in satisfaction of the SEC Rule. This Agreement is solely for the benefit of the Bondholders and creates no new contractual or other rights for, nor can it be relied upon by, the SEC, underwriters, brokers, dealers, municipal securities dealers, potential customers, other Obligated Persons or any other third party. The sole remedy against the Obligor for any failure to carry out any provision of this Agreement shall be for specific performance of the Obligor's disclosure obligations hereunder and not for money damages of any kind or in any amount or for any other remedy. The Obligor's failure to honor its covenants hereunder shall not constitute a breach or default of the Bonds, the Ordinance or any other agreement to which the Obligor is a party.

(b) Subject to paragraph (e) of this Section 11, in the event the Obligor fails to provide any information required of it by the terms of this Agreement, any Bondholder may pursue the remedy set forth in the preceding paragraph in any court of competent jurisdiction in the county in which the Obligor is located. An affidavit to the effect that such person is a Bondholder supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue this remedy.

(c) Subject to paragraph (e) of this Section 11, any challenge to the adequacy of the information provided by the Obligor by the terms of this Agreement may be pursued only by holders of not less than 25% in principal amount of Bonds then outstanding in any court of competent jurisdiction in the county in which the Obligor is located. An affidavit to the effect that such persons are Bondholders supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue the remedy set forth in the preceding paragraph.

(d) The Counterparty, upon satisfactory indemnification and demand by those persons it reasonably believes to be Bondholders, may also pursue the remedy set forth above in any court of competent jurisdiction in the county in which the Obligor is located. The Counterparty shall have no obligation to pursue any remedial action in the absence of a valid demand from Bondholders and satisfactory indemnification.

(e) Prior to pursuing any remedy under this Agreement, a Bondholder shall give notice to the Obligor, via registered or certified mail, of such breach and its intent to pursue such

remedy. Fifteen (15) days after the mailing of such notice, and not before, a Bondholder may pursue such remedy under this Agreement. The Obligor's failure to honor its covenants hereunder shall not constitute a breach or default of the Bonds, the Ordinance or any other agreement to which the Obligor is a party.

Section 12. Counterparty's Obligations. The Counterparty hereto shall have no obligation to take any action whatsoever with respect to information provided by the Obligor under this Agreement (or by any Obligated Persons covered hereby), except (i) as set forth in this Section 12 and (ii) any obligations arising from the Counterparty serving as a Dissemination Agent, and no implied covenants or obligations shall be read into this Agreement against the Counterparty. Further, except as set forth in this Section 12, the Counterparty hereto shall have no responsibility to ascertain the truth, completeness, accuracy, or timeliness of the information provided as required hereunder by the Obligor or any Obligated Person, nor as to its sufficiency for purposes of compliance with the SEC Rule or the requirements of this Agreement.

The Counterparty may, at its sole discretion, retain counsel or others with expertise in continuing disclosure matters for the purpose of assisting the Counterparty in making judgments with respect to the scope of its obligations hereunder and compliance therewith.

If the Counterparty has not received the Annual Information by the date which is ten (10) days before the date set forth in Section 5(a)(2) of this Agreement, the Counterparty shall notify the Obligor, via registered or certified mail, that it has not received such Annual Information. However, a failure by the Counterparty to provide (or any delay in providing) any notice required by this paragraph shall not: (i) operate to relieve the Obligor of its obligation to provide the Annual Information in the manner and within the time specified in this Agreement; or (ii) constitute a defense for the Obligor, or the basis for any claim, counterclaim, cross-claim or third-party claim by the Obligor, in any action brought pursuant to Section 11 of this Agreement or otherwise. Nothing contained in this paragraph shall operate to grant any additional rights or remedies to any holder of Bonds.

The Counterparty hereto shall be obligated to, and hereby agrees that it will, on the fifth business day after the date required by Section 5(a)(2) of this Agreement, forward to those persons or entities scheduled to receive Annual Information a notice substantially in the form of Exhibit B attached hereto in the event that the Counterparty has not received a copy of such Annual Information; provided, however, that the Counterparty shall not give such notices as described in this paragraph and the immediately preceding paragraph if the Obligor has provided the Counterparty with notice that the Obligor has issued notice pursuant to Section 10 hereof.

Section 13. Resignation and Removal of Counterparty. The Counterparty may resign in its capacity under this Agreement at any time by giving written notice thereof to the Obligor. So long as the Obligor has not failed to honor its obligations as set forth in Sections 5, 7 and 10 hereof, the Obligor may remove the Counterparty in its capacity under this Agreement at any time by giving written notice thereof to the Counterparty. Upon such resignation or removal, the Obligor shall promptly appoint a successor Counterparty.

Section 14. Modification of Agreement. The Obligor and the Counterparty may, from time to time, amend or modify this Agreement without the consent of or notice to the Bondholders if either (a)(i) such amendment or modification is made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the Obligor, or type of business conducted, (ii) this Agreement, as so amended or modified, would have complied with the requirements of the SEC Rule on the date hereof, after taking into account any amendments or interpretations of the SEC Rule, as well as any change in circumstances, and (iii) such amendment or modification does not materially impair the interests of the Bondholders, as determined either by (A) the Counterparty or nationally recognized bond counsel or (B) an approving vote of the holders of the requisite percentage of outstanding Bonds as required under Section 23 of the Ordinance at the time of such amendment or modification; or (b) such amendment or modification (including an amendment or modification which rescinds this Agreement) is permitted by the SEC Rule, as then in effect.

Section 15. Interpretation Under Indiana Law. It is the intention of the parties hereto that this Agreement and the rights and obligations of the parties hereunder shall be governed by and construed and enforced in accordance with, the law of the State of Indiana.

Section 16. Severability Clause. In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 17. Successors and Assigns. All covenants and agreements in this Agreement made by the Obligor and the Counterparty shall bind their successors, whether so expressed or not.

Section 18. Notices. All notices required to be given under this Agreement shall be made at the following addresses:

If to the Obligor: Town of Westfield, Indiana
c/o Clerk-Treasurer
130 Penn Street
Westfield, Indiana 46074

If to the Counterparty: _____

[If to the Bond Insurer: _____

_____]

IN WITNESS WHEREOF, the Obligor and the Counterparty have caused this Agreement to be executed as of the ____ day of _____, 20__.

TOWN OF WESTFIELD, INDIANA, as Obligor

Town Council President

ATTEST:

Clerk-Treasurer

_____, as Counterparty

EXHIBIT A

NATIONALLY RECOGNIZED MUNICIPAL
SECURITIES INFORMATION REPOSITORIES

Bloomberg Municipal Repositories
P.O. Box 840
Princeton, NJ 08542 -0840
Phone: (609) 279-3225
Fax: (609) 279-5962
E-Mail: Munis@Bloomberg.com

Interactive Data
Attn: Repository
100 Williams Street
New York, NY 10038
Phone: (212) 771-6899
Fax: (212) 771-7390
E-mail: NRMSIR@interactivedata.com
Website: <http://www.InteractiveData.com>

Standard & Poor's Securities Evaluations, Inc.
55 Water Street, 45th Floor
New York, New York 10041
Phone: (212) 438-4595
Fax: (212) 438-3975
Email: nrmsir_repository@sandp.com

DPC Data, Inc.
One Executive Drive
Fort Lee, NJ 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
E-Mail: nrmsir@dpcdata.com

EXHIBIT B

Municipal Secondary Market Disclosure Information Cover Sheet

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board, Nationally Recognized Municipal Securities Information Repositories, and any applicable State Information Depository, whether the filing is voluntary or made pursuant to Securities and Exchange Commission Rule 15c2-12 or any analogous state statute.

See www.sec.gov/info/municipal/nrmsir.htm for list of current NRMSIRs and SIDs

IF THIS FILING RELATES TO A SINGLE BOND ISSUE:

Provide name of bond issue exactly as it appears on the cover of the Official Statement
(please include name of state where issuer is located):

Provide nine-digit CUSIP* numbers if available, to which the information relates:

_____	_____	_____
_____	_____	_____
_____	_____	_____

IF THIS FILING RELATES TO ALL SECURITIES ISSUED BY THE ISSUER OR ALL SECURITIES OF A SPECIFIC CREDIT OR ISSUED UNDER A SINGLE INDENTURE:

Issuer's Name (please include name of state where Issuer is located): _____

Other Obligated Person's Name (if any): _____
(Exactly as it appears on the Official Statement Cover)

Provide six-digit CUSIP number(s), if available, of Issuer: _____

*Contact CUSIP 's Municipal Disclosure Assistance Line at (212) 438-6518 for assistance with obtaining the proper CUSIP numbers.)

TYPE OF FILING:

☐ Electronic (number of pages attached) _____ ☐ Paper (number of pages attached) _____

If information is also available on the Internet, give URL: _____

WHAT TYPE OF INFORMATION ARE YOU PROVIDING? (Check all that apply)

A. ☐ Annual Financial Information and Operating Data pursuant to Rule 15c2-12

(Financial information and operating data should not be filed with the MSRB.)

Fiscal Period Covered: _____

B. ☐ Audited Financial Statements or CAFR pursuant to Rule 15c2-12

Fiscal Period Covered: _____

C. ☐ Notice of a Material Event pursuant to Rule 15c2-12 (Check as appropriate)

- | | |
|--|--|
| 1. <input type="checkbox"/> Principal and interest payment delinquencies | 6. <input type="checkbox"/> Adverse tax opinions or events affecting the tax-exempt status of the security |
| 2. <input type="checkbox"/> Non-payment related defaults | 7. <input type="checkbox"/> Modifications to the rights of security holders |
| 3. <input type="checkbox"/> Unscheduled draws on debt service reserves reflecting financial difficulties | 8. <input type="checkbox"/> Bond calls |
| 4. <input type="checkbox"/> Unscheduled draws on credit enhancements reflecting financial difficulties | 9. <input type="checkbox"/> Defeasances |
| 5. <input type="checkbox"/> Substitution of credit or liquidity providers, or their failure to perform | 10. <input type="checkbox"/> Release, substitution, or sale of property securing repayment of the securities |
| | 11. <input type="checkbox"/> Rating changes |

D. ☐ Notice of Failure to Provide Annual Financial Information as Required

E. ☐ Other Secondary Market Information (Specify): _____

I hereby represent that I am authorized by the issuer or obligor or its agent to distribute this information publicly:

Issuer Contact:

Name _____ Title _____

Employer _____

Address _____ Town _____ State _____ Zip Code _____

Telephone _____ Fax _____

Email Address _____ Issuer Web Site Address _____

Dissemination Agent Contact, if any:

Name _____ Title _____

Employer _____

Address _____ Town _____ State _____ Zip Code _____

Telephone _____ Fax _____

Email Address _____ Relationship to Issuer _____

Obligor Contact, if any:

Name _____ Title _____

Employer _____

Address _____ Town _____ State _____ Zip Code _____

Telephone _____ Fax _____

Email Address _____ Obligor Web Site Address _____

Investor Relations Contact, if any:

Name _____ Title _____

Telephone _____ Email Address _____

WESTFIELD WASTEWATER UTILITY
WESTSIDE INTERCEPTOR - FUNDING ANALYSIS

TOWN COUNCIL MEETING

MAY 14, 2007

 O.W. Krohn & Associates, LLP
CPA's and Consultants

WESTFIELD WASTEWATER

WESTSIDE INTERCEPTOR - SOURCES AND USES OF FUNDS

USES OF FUNDS:

CONSTRUCTION HARD COSTS PER CONTRACTOR BIDS	\$13,497,268
CONSTRUCTION ENGINEERING	492,000
COST OF ISSUANCE	<u>369,000</u>
TOTAL	<u>\$14,358,268</u>

SOURCES OF FUNDS:

REVENUE BONDS OF 2007	\$14,000,000
INTEREST EARNINGS DURING CONSTRUCTION	250,000
UTILITY FUNDS ON HAND	<u>108,268</u>
TOTAL	<u>\$14,358,268</u>

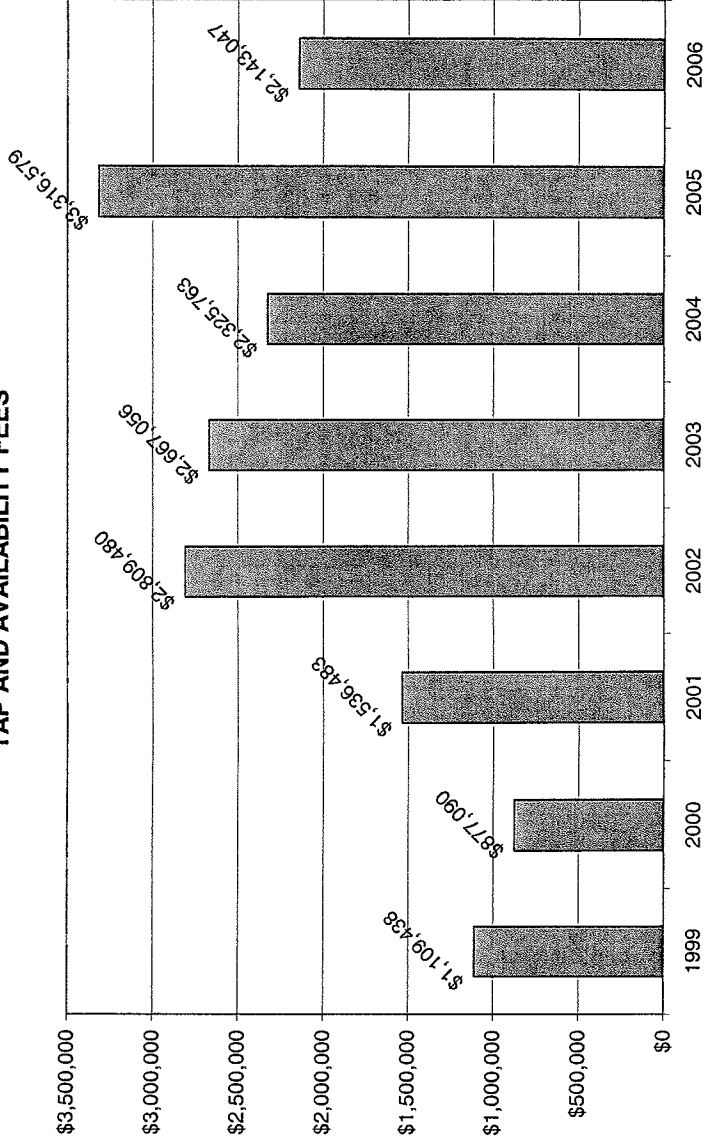
WESTFIELD WASTEWATER
EXISTING AND PROPOSED DEBT

EXISTING REVENUE BONDS:			ANNUAL PAYMENT	FINAL PAYMENT	OUTSTANDING BALANCE
2002 BONDS	HWU ACQUISITION		\$825,000	9/1/2023	\$9,130,000
2004 BONDS	TREATMENT PLANT EXPANSION		\$907,000	9/1/2025	\$11,215,000
2006 BONDS	REFUND 1997 BONDS		\$740,000	9/1/2019	\$7,215,000
PROPOSED REVENUE BONDS:					
2007 BONDS	WESTSIDE INTERCEPTOR		\$725,000	9/1/2032 (1ST 16 YRS)	\$14,000,000

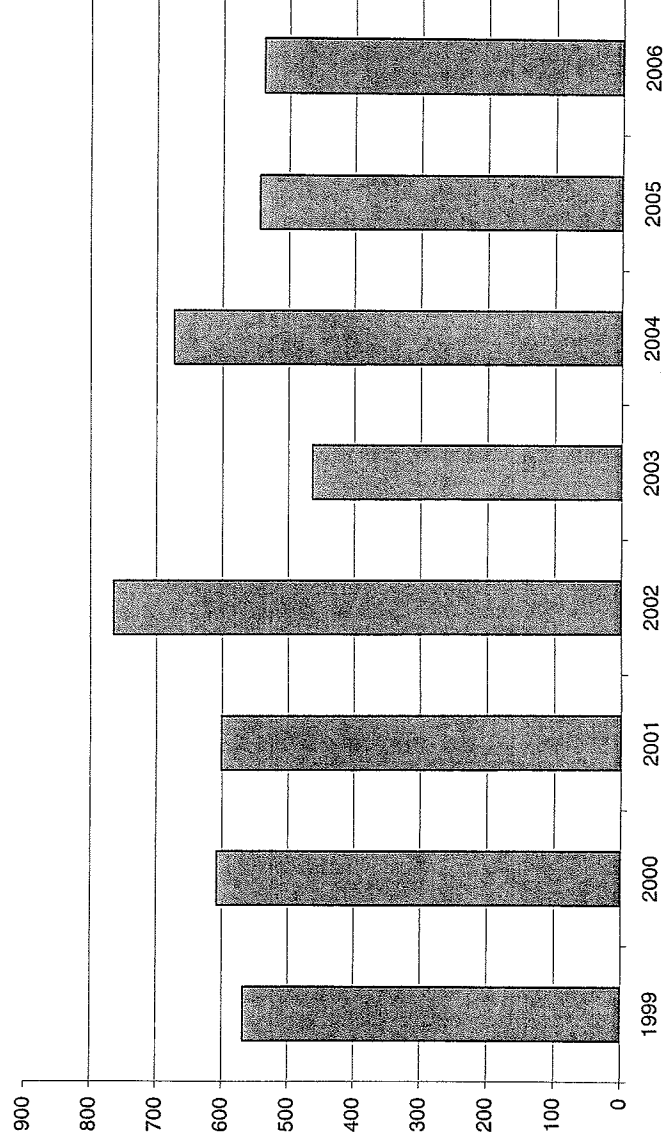
WESTFIELD WASTEWATER
BOND COVERAGE PROJECTIONS

PLEDGED REVENUES:		PROJECTED 2009 (In Thousands)
SALES		\$4,954
OTHER OPERATING INTEREST		203
TAP AND AVAILABILITY	(600 EDUs)	400
		<u>2,820</u>
TOTAL PROJ. REVENUES		\$8,377
CASH OPERATING EXPENDITURES		<u>(3,647)</u>
NET PLEDGED REVENUES		<u><u>\$4,730</u></u>
DEBT SERVICE:		
EXISTING		2,474
PROPOSED		705
MAX. COMBINED D.S. TO MAKE PARITY		<u><u>\$3,179</u></u>
EXPECTED COVERAGE - ALL FEES (600 EDUs)		<u><u>149%</u></u>
MINIMUM COVERAGE - CONTRACT FEES ONLY (454)		<u><u>122%</u></u>

WESTFIELD WASTEWATER TAP AND AVAILABILITY FEES



WESTFIELD WASTEWATER NEW CONNECTIONS



WESTFIELD WASTEWATER

ANTICIPATED FUTURE DEVELOPMENT

RESIDENTIAL	12,600	LOTS
COMMERCIAL	<u>2,350</u>	EDUs
TOTAL POTENTIAL INVENTORY	14,950	EDUs
ASSUMED DEVELOPMENT PERIOD	20	YEARS
EDUs PER YEAR IDENTIFIED WITH NO ADDITIONAL PROJECTS	748	

EXAMPLES OF ONGOING AND NEW PROJECTS:

ACKERSON FARMS	EAGLE STATION
ANDOVER	MAPLE KNOLL
AURORA	OAK MANOR
BRIDGEWATER	SYCAMORE ON MONON
CENTENNIAL	VIKING MEADOWS
COUNTRYSIDE	WESTGATE